WEEKLY SESSION NOTES

SENATE REPUBLICAN POLICY COMMITTEE - DAVID G. ARGALL, CHAIRMAN

Monday, January 26, 2015

There were no final passage votes taken in the Senate on Monday.

Tuesday, January 27, 2015

<u>Senate Bill 79</u> (Stefano) would amend Act 98 of 2014 to correct the name of the bridge on State Route 711 in Connellsville, Fayette County over the Youghiogheny River from the Officer Robb McCray Memorial Bridge to the Officer McCray Robb Memorial Bridge. <u>Passed: 48-0.</u>

<u>Senate Bill 12</u> (Pileggi) designates the week of January 25 through 31, 2015 as "Catholic Schools Week" in Pennsylvania. <u>Adopted by Voice Vote</u>.

<u>Senate Resolution 13</u> (Leach) recognizes January 11, 2015 as "National Human Trafficking Awareness Day" in Pennsylvania. <u>Adopted by Voice Vote</u>.

Wednesday, January 28, 2015

Senate Bill 147 (Yaw) would amend Act 60 of 1979, the Oil and Gas Lease Act, to provide protections for leaseholders. Under the provisions of the bill, a lessee would be required to include a unique property identification on documentation relating to royalty payments and to make required payments to the lessor within 90 days of production, unless otherwise provided in the contract. If the proceeds total less than \$100 in three months, the lessee could remit them quarterly to the lessor. Late payments would have to be paid at the legal rate of interest. A section would be added regarding joint ventures which would require the following information to be provided annually to interest owners if the joint venture company is separately paying its share of the royalty: 1) name of the company; 2) company address; 3) company telephone number; and 4) the proportionate share of oil or natural gas that each joint venture markets.

Provisions would also be added to allow a lessor or someone acting on their behalf to inspect the supporting documentation of a lessee for payment information for any property for which the lessor has been paid royalties within the three-year period immediately preceding the date of the request. The lessor would be required to make a written request to inspect the records and could make a request no more than once a year. Within 30 days of receipt of the written request, the lessee would have to: designate a location in Pennsylvania for inspection which is within a reasonable travel distance; designate a mutually agreed upon date for inspection or a date within 90 days; designate a reasonable time for inspection; provide supporting documentation of payment information including invoiced amounts for services provided; and have a knowledgeable person available to answer any questions. The information which is inspected would have to remain confidential. Passed: 49-0.

Senate Bill 148 (Yaw) would establish the Natural Gas Lease Anti-Retaliation Act to protect a lessor of natural gas rights who reports a violation or suspected violation of a contractual agreement. A lessee would be prohibited from ceasing development or production or taking other reprisals against a lessor due to a good faith action by the lessor. If a lessor believes a reprisal has occurred, the lessor could bring a civil action within one year of the alleged violation. A lessor would be required to show by a preponderance of the evidence that the action meets the definition of a good faith action and that the retaliatory action was taken by the lessee after the lessee became aware of the action of the lessor. A court finding in favor of the lessor could order the lessee to pay reasonable damages and could impose a civil fine of up to \$1,000 per day. A court finding in favor of the lessee could order the lessor to pay reasonable damages to the lessee. Passed: 49-0.

<u>Senate Bill 283</u> (Pileggi) would amend Article V of the Pennsylvania Constitution to eliminate the Philadelphia Traffic Court. (A constitutional amendment must pass two consecutive legislative sessions and be approved by the electorate. Prior passage for this measure occurred during the 2013-14 Session as Senate Bill 333.) <u>Passed: 49-0.</u>

<u>Senate Resolution 14</u> (Dinniman) observes the month of January 2015 as "Pennsylvania Thrift Month," observes the week of January 17 through 23, 2015 as "National Thrift Week" and calls on individuals, families and government at all levels to exercise thrift and fiscal responsibility. **Adopted by Voice Vote.**

(2015-010)